

NATIONAL SEWER PIPE LIMITED
BALANCE SHEET
AS AT OCTOBER 31st, 1964
AND
CAPITAL SURPLUS
AND
STATEMENT OF PROFIT AND LOSS
AND EARNED SURPLUS
FOR THE YEAR ENDED OCTOBER 31st, 1964

BALANCE SHEET AS AT OCTOBER 31, 1964

ASSETS	
CURRENT	
Cash	\$ 75,474
Investments — at cost (market value \$1,531,578)	1,249,131
Accounts receivable less allowance for doubtful accounts	541,831
Inventory of merchandise and supplies at lower of cost or market value	602,930
SUNDRY RECEIVABLES	\$2,469,366
Negley Clays, Inc. and/or Ryland H. New (Liability to the Company for this item not admitted by either party)	\$ 75,414
Ryland H. New — Director	10,842
Ryland J. New — Director	13,859
OTHER	100,115
Cash, bonds and debentures held by the Trustee for the Bondholders	\$ 71,778
Shares — at cost (no quoted market value)	215,000
Investments in (at cost) and advances to subsidiary companies	299,170
585,948	
FIXED	
Land, buildings and equipment — at cost	\$4,720,370
Less:	
Accumulated depreciation	3,631,863
1,088,507	
\$4,243,936	
LIABILITIES	
CURRENT	
Bankers' advances	\$ 160,000
Accounts payable and accrued charges	489,178
Federal and provincial income taxes	394,288
Bond interest accrued	10,824
\$1,054,290	
FUNDED DEBT — to mature January 2, 1973	
5½% first mortgage bonds	590,400
CAPITAL STOCK	
Authorized	
75,000 non-cumulative preference shares of the par value of \$15.00 each redeemable at par	
75,000 common shares without nominal or par value	
Issued	
63,195 preference shares	\$ 947,925
33,517 redeemed prior years	502,755
29,678 preference shares	\$ 445,170
53,195 common shares	61,097
\$ 506,267	
CAPITAL SURPLUS	682,311
EARNED SURPLUS	1,410,668
2,599,246	
Approved on behalf of the Board of Directors:	\$4,243,936
Ryland J. New, Director	
John J. Fitzpatrick, Director	

AUDITORS' REPORT T

We have examined the balance sheet of NATIONAL SEWER PIPE LIMITED as at October 31, 1964, and the statement of financial position of the company for the year ended on that date. Our examination included a general review of the accounting procedures in the circumstances.

The financial statements of the subsidiary companies have not been consolidated for the year ended on that date. The business of the other three subsidiaries differ considerably from that of the parent company.

The company's share of the aggregate profits of its subsidiary companies for the year ended on that date is \$380,670. The company's share of the aggregate profits of its subsidiary companies for the year ended on that date is \$380,670. The company's share of the aggregate profits of its subsidiary companies for the year ended on that date is \$380,670.

In our opinion, subject to the foregoing the above balance sheet and the accompanying statement of financial position of the company as at October 31, 1964 and the results of its operations for the year ended on that date are consistent with that of the preceding year.

Toronto, October 5th, 1965.

CAPITAL SURPLUS

FOR THE YEAR ENDED OCTOBER 31, 1964

Capital surplus, November 1, 1963		\$ 599,553
<i>Add</i>		
Profit on sale of land	\$ 80,477	
Discount on bonds and debentures	2,281	82,758
Capital surplus, October 31, 1964		<u>\$ 682,311</u>

STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS

FOR THE YEAR ENDED OCTOBER 31, 1964

Earned surplus, November 1, 1963		\$1,270,675
Net operating profit for the year after directors' fees in the amount of \$7,200 and after making a provision for depreciation of \$80,000, which is approximately one-half of the maximum amount allowable for income tax purposes	\$165,712	
Sundry income	84,281	
	<u>\$249,993</u>	
Federal and provincial income taxes	110,000	
Net profit for the year		<u>139,993</u>
Earned surplus, October 31, 1964		<u>\$1,410,668</u>

THE SHAREHOLDERS

1964 and the statements of profit and loss and earned surplus and capital surplus for the and such tests of accounting records and other supporting evidence as we considered necessary

on that there is a substantial minority interest in one of the subsidiaries and the nature of

October 31, 1964 amounted to \$39,723. The company's share of the aggregate undistributed in the parent company's accounts. A note to the financial statements of one of the subsidiary or which no provision has been made in the financial statements.

ements of profit and loss, and earned surplus and capital surplus present fairly the financial n that date, in accordance with generally accepted accounting principles applied on a basis

WINSPEAR, HIGGINS, STEVENSON & DOANE,
Chartered Accountants.

ANNUAL REPORT

of

NATIONAL SEWER PIPE LIMITED

October 31, 1964

DIRECTORS

RYLAND H. NEW
President and General Manger

RYLAND J. NEW, B.A.Sc.
Vice-President

HOWARD A. HALL, Q.C.
Secretary and Treasurer

JOHN J. FITZPATRICK, Q.C.

HELEN ISABEL NEW, C.B.E.
